Remarks/ARGUMENTS

In response to the above-identified Office Action, Applicants have amended their application and respectfully request reconsideration thereof.

Amendment of Claims

Claims 1 and 16 have been amended to clarify the technological basis in the respective claims. The phrase "the communicating to utilize a plurality of computers" has been added to clarify this aspect.

Claims 1, 16, 17 and 32-35 have been amended to remove the limitation "facilitating" and/or "facilitate".

Claim 12 has been amended to remove the limitation "view item web page".

Claims 3 and 19 have been cancelled.

Claims 9 and 25 have been amended to remove the limitation "special".

Claims 1-2, 4-7, 9, 12-15, 17-18, 20-23, 25, and 29-31 have been amended to clarify that an authorized bidder may bid on a "particular" sale listing. Support for adding the word "particular" may be found throughout the drawings and specification and specifically in paragraphs 21 and 27.

Claims 16, 32, 34 and 35 have been amended to clarify that an authorized buyer may buy a "particular" offering. Support for adding the word "particular" may be found throughout the drawings and specification and specifically in paragraphs 21 and 27.

Serial No.: 09/881,911

Response to Claim Rejections – 35 USC § 101

Claims 1-9, 13-16 stand rejected under 35 U.S.C. § 101 as non-statutory.

Specifically the Office Action states "the method claims as presented do not claim a technological basis in the body of the claim... In contrast, a method claim that includes in the body of the claim at least one structural / functional interrelationship which can only be computer implemented is considered to have technological basis."

Responsive to the above, Applicants have amended independent claims 1 and 16 to include the limitation "the communicating to utilize a plurality of computers".

Applicants submit that claims 1 and 16 describe a computer implemented structural/ functional interrelationship.

If an independent claim is statutory under 35 U.S.C. § 103(a) then, any claim depending therefrom is also statutory and rejection of claims 2-9 and 13-15 under 35 U.S.C. § 101 is also addressed by the above remarks.

Response to Claim Rejections – 35 USC § 112

Claims 1, 16, 33-35 stand rejected under 35 U.S.C § 112, second paragraph, as being indefinite for the reason that the aforementioned claims fail to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Specifically the Office Action indicates that the metes and bounds of the terms "facilitating" and "facilitate" are unclear.

Responsive to the Office Action the terms "facilitating" and "facilitate" have been removed from claims 1, 16, and 33-35.

Claim 12 stands rejected under 35 U.S.C § 112, second paragraph, as being indefinite for the above stated reason. Specifically the Office Action states that the phrase "'a view item web page' is vague and confusing since all web pages allow viewing an item."

Responsive to the Office Action alternate claim language has been substituted for the phrase "a view item web page".

Claim 3 stands rejected under 35 U.S.C § 112, second paragraph, as being indefinite for the above stated reason. Specifically the Office Action indicates that the phrase "buying and selling privileges" is vague and indefinite.

Responsive to the Office Action claim 3 has been cancelled.

Claims 17-25 and 29-32 stand rejected under 35 U.S.C § 112, second paragraph, as being indefinite for the above stated reason. Specifically the Office Action states that the "claimed apparatus is vague and indefinite because no structure is recited, only [a] function description. The term 'modules' may be purely software in nature."

Applicants respectfully submit that claims 17-25 and 29-32 should not be rejected under 35 U.S.C. § 112 for the reason that the term "modules" particularly points out and distinctly claims the subject matter which applicant regards as the invention.

Definiteness of claim language must be analyzed, not in a vacuum, but in light of:

- (A) The content of the particular application disclosure;
- (B) The teachings of the prior art; and
- (C) The claim interpretation that would be given by one possessing the ordinary level of skill in the pertinent art at the time the invention was made.

MPEP 2173.02, second paragraph.

Responsive to the Office Action Applicants submit that the term "module", as analyzed in light of the application disclosure, the teachings of the prior art, and the claim interpretation of one possessing ordinary skill, inherently discloses a computer because software "modules" necessarily require a computer for execution. Further Applicants know of no MPEP reference or case law that requires recitation of hardware in an apparatus claim to satisfy 35 U.S.C. 112, second paragraph and request assistance to identify relevant authority.

Applicants respectfully submit that claims 17-25 and 29-32 should not be rejected under 35 U.S.C § 112, second paragraph, as being indefinite for the reason that the term "module" inherently discloses a computer and further for the reason that recitation of hardware in an apparatus claim is not required under 35 U.S.C. 112, second paragraph.

Claim 34 stands rejected under 35 U.S.C § 112, second paragraph, as being indefinite for the above stated reason. Specifically the Office Action indicates that the

"claim 34 is vague and indefinite because there are recited two means-for clauses without any recitation of interconnecting structure"

Applicants respectfully submit that claim 34 should not be rejected under 35 U.S.C. § 112 for the reason that claim 34 particularly points out and distinctly claims the subject matter which applicant regards as the invention.

Responsive to the Office Action Applicants submit that the preamble of claim 34 recites an interconnecting structure in the form of a "system" because the "system" includes the recited first means and second means. Further applicant knows of no MPEP citation or case law that requires recitation of interconnecting structure to satisfy 35 U.S.C. 112, second paragraph and request assistance to identify relevant authority.

Claims 9 and 25 stand rejected under 35 U.S.C § 112, second paragraph, as being indefinite for the above stated reason. Specifically the Office Action indicates that claims 9 and 25 recite the term "special", "which is vague and indefinite".

Responsive to the Office Action Applicants have amended claims 9 and 25 to remove the word "special".

Response to Claim Rejections – 35 USC § 103

Claims 1-4, 6, 10-11, 13-35 stand rejected under 35 U.S.C. § 103(a), as being allegedly unpatentable over U.S. Publication No. 2001/0049634 (hereinafter Stewart).

Applicants respectfully submit that claims 1-4, 6, 10-11, 13-35 should not be rejected under 35 U.S.C. § 103(a) for the reason that prior art references when combined

do not teach or suggest all of the claim limitations of the independent claims of the present application. Reasons for rejection of claims 1-4, 6, 10-11, 13-35 appears below.

To establish a **prima facie** case of **obviousness**, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure.

Claim 1 includes the following limitation:

receiving an authorization communication, over a network, at a network-based auction facility and a seller,

...the authorization communication to authorize the bidder to bid on a <u>particular</u> sale listing that is listed for sale by the seller

The Office Action, in rejecting claim 1, contends that the above limitation is anticipated by the following disclosures in Stewart:

[0099] When sellers have been identified and qualified to be seller members on the website, the individual buyers with which they have previously done business in the past can be contacted so as to become qualified buyer members on the site.

Stewart, paragraph 99.

After the buyer member has logged into the site, an authorized individual can begin searching for the particular product needed...A search screen is presented to the buyer member ... and the website controller will display to the buyer

member the seller member that offer such products, as well as the retail price The buyer member...can then decide which of the products it wishes to purchase and also designate, by clicking in the appropriate area, which products it wants to purchas[e]...

Stewart, paragraph 100.

...In order to be an approved logistics provider (e.g. transports orders from the seller to the buyer), a member of the electronic commerce system must complete a registration process similar to the buyer and seller process. ... Upon completion of the registration form, the logistic module of the website controller checks for the providers references, financial information, Department of Motor Vehicle information, insurance and the like. ... The contract can then be negotiated between the website controller and the logistic provider. In the event additional information is needed, again the third party logistic provider is prompted to submit that information. This party can then be accepted or rejected according to the website controller's criteria (e.g., added).

Stewart, paragraph 108.

[0010] In conventional transaction methods, a buyer must inquire of each individual seller in order to determine if that particular steel manufacturer can produce the desired product within the needed time constraints and price to be reprocessed by the buyer. ... This process typically requires the buyer to notify each of its individual sellers that it has dealt with in the past in order to determine if that seller can meet its product specifications and delivery requirements. If not, a new seller must be contacted.

The above quotes from Stewart describe a qualification of a buyer to purchase products, a registration process for a logistics supplier, and a buyer that makes inquires of sellers. The first paragraph describes a qualification of the buyer to purchase products and the second paragraph describes an authorized individual, which is presumably the qualified buyer described in the first paragraph. The authorized individual may designate products for purchase.

The third paragraph describes a registration process for a logistics supplier. The logistics supplier completes a registration form that is checked based on criteria. The logistics supplier may be accepted or rejected. If accepted, a contract may be negotiated between a website controller and the logistic provider.

The fourth paragraph describes a buyer that inquires of a seller to determine if the seller can produce a product within a time constraint and price. The process may require that the buyer contact multiple sellers including sellers it has dealt with in the past and new sellers.

Claim 1 requires a communication between a network-based auction facility and a seller, the communication to authorize a bidder *to bid on a particular sale listing* that is listed for sale by the seller.

Claim 1 requires an authorization communication to authorize a bidder to bid on a particular sale listing that is listed for sale by the seller. An exemplary embodiment may include a seller utilizing a web page to add a bidder to a pre-approve bidders list thereby enabling the bidder to bid on a particular listing offered by the seller (Application, paragraphs 22, 34). A dictionary defines the word "particular" as "separate and distinct from others." In contrast, the first and second paragraphs do not describe an authorization communication to authorize a bidder to bid on a particular sale

¹ Webster's II New College Dictionary, Houghton Mifflin Company.

listing; but rather, a qualification of a buyer that, once obtained, enables the buyer to continually designate products for purchase.

Further, the third paragraph does not describe an authorization communication to authorize a bidder to bid on a particular sale listing that is listed for sale by the seller; but rather a logistics supplier that registers to negotiate a contract. If the logistics supplier in the third paragraph is analogous to the seller in claim 1 (e.g., the logistics supplier is selling services) then nowhere in the third paragraph is the logistics supplier described as communicating an authorization to bid on a particular sale listing.

Finally, the fourth paragraph does not describe a communication between a network-based auction facility and a seller, as required by claim 1; but rather, a buyer that inquires of a seller. A buyer is not a network-based auction facility and an inquiry is not an authorization. Moreover, claim 1 requires a communication with a seller (e.g., via the network-based auction facility) that authorizes a bidder. In contrast the fourth paragraph describes an inquiry by a buyer to determine whether a seller can produce a product. Clearly the seller described in paragraph 4 does not authorize a bidder, as required by claim 1.

Independent claims 16, 17 and 32-35 each include a limitation corresponding substantially to the above-discussed limitation of claim 1. The above remarks are accordingly also applicable to a consideration of these independent claims.

In addition, if an independent claim is nonobvious under 35 U.S.C. § 103(a) then, any claim depending therefrom is nonobvious and rejection of claims 2-4, 6, 10-11 and 13-31 under 35 U.S.C. § 103(a) is also addressed by the above remarks.

In summary, Stewart does not teach or suggest each and every limitation of claims 1-4, 6, 10-11, 13-35 as required to support rejections of the independent claims of the present application under 35 U.S.C.§ 103(a).

Response to Claim Rejections – 35 USC § 103

Claims 7-8, and 12 stand rejected under 35 U.S.C. § 103(a), as being allegedly unpatentable over Stewart as applied to claims 1-4, 6, 10-11, 11-35 above, and further in view of U.S. Publication No. 2002/0174060 (hereinafter Friedland).

Applicants respectfully submit that claims 7-8, and 12 should not be rejected under 35 U.S.C. § 103(a) for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application.

Claims 7-8 and 12 depend on independent claim 1. If an independent claim is nonobvious under 35 U.S.C. § 103(a) then, any claim depending therefrom is nonobvious and rejection of claims 7-8 and 12 under 35 U.S.C. § 103(a) is also addressed by the above remarks.

In summary, Stewart in combination with Friedland does not teach or suggest each and every limitation of claims 7-8, and 12 as required to support rejections of the independent claims of the present application under 35 U.S.C.§ 103(a).

Claim 9 stands rejected under 35 U.S.C. § 103(a), as being allegedly unpatentable over Stewart as applied to claims 1-4, 6, 10-11, 13-35 above, and further in view of U.S. Patent No. 6,240,396 (hereinafter Walker).

Applicants respectfully submit that claim 9 should not be rejected under 35 U.S.C. § 103(a) for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application.

Claim 9 depends on independent claim 1. If an independent claim is nonobvious under 35 U.S.C. § 103(a) then, any claim depending therefrom is nonobvious and rejection of claim 9 under 35 U.S.C. § 103(a) is also addressed by the above remarks.

In summary, Stewart in combination with Walker does not teach or suggest each and every limitation of claim 9 as required to support rejections of the independent claims of the present application under 35 U.S.C.§ 103(a).

Claim 5 stands rejected under 35 U.S.C. § 103(a), as being allegedly unpatentable over Friedland in view of Stewart as applied to claims 1-4, 6-35 above, and further in view of U.S. Publication No. 2002/0042755 (hereinafter Kumar).

Applicants respectfully submit that claim 5 should not be rejected under 35 U.S.C. § 103(a) for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application.

Claim 5 depends on independent claim 1. If an independent claim is nonobvious under 35 U.S.C. § 103(a) then, any claim depending therefrom is nonobvious and rejection of claim 5 under 35 U.S.C. § 103(a) is also addressed by the above remarks.

In summary, Friedland in combination with Stewart and Kumar does not teach or suggest each and every limitation of claim 5 as required to support rejections of the independent claims of the present application under 35 U.S.C.§ 103(a).

In summary, Applicants believe that all rejections presented in the Office Action have been fully addressed and withdrawn of these rejections is respectfully requested.

Applicants furthermore believe that all claims are now in a condition for allowance, which is earnestly solicited.

If there are any additional charges, please charge Deposit Account No. 02-2666. If a telephone interview would in any way expedite the prosecution of the present application, the Examiner is invited to contact Mark Vatuone at (408) 947-8200.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

Dated: 7/6 _____, 2004

Mark R. Vatuone Reg. No. 53,719

12400 Wilshire Blvd. Seventh Floor Los Angeles, CA 90025-1026 (408) 947-8200